

**MINUTES
of the
FIRST MEETING
of the
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**June 11, 2015
New Mexico Mortgage Finance Authority Office
344 Fourth Street SW
Albuquerque**

The first meeting of the Mortgage Finance Authority Act Oversight Committee (committee) was called to order by Representative Alonzo Baldonado, chair, on June 11, 2015 at 10:00 a.m. at the New Mexico Mortgage Finance Authority (MFA) Office in Albuquerque.

Present

Rep. Alonzo Baldonado, Chair
Sen. Nancy Rodriguez, Vice Chair
Sen. Lee S. Cotter
Rep. Kelly K. Fajardo
Rep. Roberto "Bobby" J. Gonzales
Rep. James Roger Madalena
Sen. Cisco McSorley

Absent

Sen. Stuart Ingle

Advisory Members

Rep. Bealquin Bill Gomez
Rep. Jimmie C. Hall
Sen. Richard C. Martinez
Sen. Bill B. O'Neill
Sen. Gerald Ortiz y Pino
Sen. Michael Padilla
Sen. Sander Rue

Rep. George Dodge, Jr.

Staff

Celia A. Ludi, Staff Attorney, Legislative Council Service (LCS)
Sharon Ball, Senior Researcher, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts are in the meeting file.

Thursday, June 11

Call to Order

Representative Baldonado welcomed members of the committee, staff and guests to the meeting. He requested that members of the committee introduce themselves, after which he introduced LCS staff members. Representative Baldonado then recognized Jay Czar, executive director, MFA, for a welcome and introductions of MFA key staff.

Welcome and Introduction of Key Staff

Mr. Czar introduced:

- Gina Hickman, deputy director of finance and administration;
- Izzy Hernandez, interim deputy director of programs;
- Dolores Deer, human resources manager;
- Leann Kemp, communications manager;
- Marjorie Martin, attorney; and
- Sandra Marez, executive assistant.

Mr. Hernandez introduced:

- Jacqueline Boudreaux, director of asset management;
- Rose Baca-Quesada, interim community development director; and
- Monica Abeita, senior policy and program advisor.

Mr. Hernandez said Dan Puccetti, director of housing development, was on vacation.

Ms. Hickman introduced:

- Yvonne Segovia, controller;
- Kathy Keeler, finance manager;
- Erik Nore, director of homeownership; and
- Theresa Garcia, director of servicing.

Funding Source and Program Overview; *MFA 2015 Reference Guide*; Regional Housing Authority Update

Mr. Czar summarized the following material in the *MFA 2015 Reference Guide*, tab by tab:

- tab 1: names and contact information for the committee;
- tab 2: a recap of the bills endorsed by the committee in the 2014 interim and introduced in the 2015 session;
- tab 3: the Mortgage Finance Authority Act;
- tab 4: the MFA rules and regulations;
- tab 5: names and contact information for the MFA Board of Directors. Mr. Czar noted that the lieutenant governor, the attorney general and the state treasurer serve ex officio; the other members are appointed by the governor, who also appoints the chair;
- tab 6: the MFA vision, mission and core values;

- tab 7: top 10 MFA myths ... debunked!;
- tab 8: organizational chart; and
- tab 9: MFA programs and services.

Ms. Abeita explained the material in tab 10, low-income housing tax credit (LIHTC) awards. There were seven LIHTC awards made in 2014 in a competitive process.

Mr. Hernandez explained the material in tab 11, the 2015 federal program fund summary.

Ms. Hickman explained the material in tab 12, MFA estimated funding sources 2014. In response to a committee member's question, Ms. Hickman clarified that very little of the MFA's bonding authority is currently being utilized because bond issuance is not a currently viable economic strategy and the MFA would have to subsidize the bonds to be able to make the mortgage rates competitive.

Ms. Hickman explained the material in tab 13, 2015-2017 strategic plan. The material includes an "MFA Strategic Plan Dashboard, Q2 FY2015", which is the internal audit and quality control plan. The MFA has a schedule of audits for all of its programs. The audits occur year-round and are performed by outside auditors. Committee members expressed their support for the ongoing audits by outside auditors.

Mr. Czar noted that the material in tab 14 is a list of commonly used housing and finance acronyms and a glossary of terms frequently used in connection with the financing of housing by state and local housing and finance agencies, including bond financing.

Ms. Baca-Quesada introduced Chris Herbert, Eastern Regional Housing Authority director, and Elizabeth Metoyer, interim Northern Regional Housing Authority director, and presented an overview of the history and current status of the regional housing authorities.

2015 Interim Committee Procedures Discussion and Adoption of Proposed Work Plan

Ms. Ludi explained that the committee's responsibilities are statutory, so the work plan includes items that in general do not vary much from year to year, although specific items may be added from time to time. After discussion, the committee added two items, to be addressed at the September 17 meeting: an update on foreclosure prevention efforts and a detailed review of the LIHTC award process.

The chair noted that the meeting dates are set by the New Mexico Legislative Council. He said the August 27 meeting would be held in Los Lunas; the agenda will include a presentation by MFA staff on the affordable housing plan recently completed for Valencia County and the Village of Los Lunas. He also notified the committee that the September 17 meeting would be held in the afternoon instead of the morning because the MFA's fortieth anniversary open house would be held from 5:00 p.m. to 7:00 p.m. that day, and he encouraged members to attend the open house after the committee meeting.

The proposed work plan, as amended, and meeting schedule were approved without objection.

Adjournment

There being no further business before the committee, the first meeting of the MFA adjourned at 12:25 p.m.